DRAFT
SUBSTANTIAL AMENDMENT NO.2
to the State of Hawaii’s
PY2021 ANNUAL ACTION PLAN
(July 1, 2021 - June 30, 2022)
(HOME-ARP Program)

March 2022

Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii, 96813

EQUAL HOUSING OPPORTUNITY
DRAFT
SUBSTANTIAL AMENDMENT NO. 2

to the
Program Year 2021 Annual Action Plan

HOME Investment Partnerships Program – AMERICAN RESCUE PLAN

February 28, 2022

PURPOSE
The Hawaii Housing Finance and Development Corporation (HHFDC) prepared the State of Hawaii’s Program Year 2021 Annual Action Plan (PY2021 AAP), which describes the proposed projects and programs to be supported with HOME, National Housing Trust Fund (HTF), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons with Aids (HOPWA) funds. The PY2021 AAP and other documents are available for review at HHFDC’s website at http://hawaii.gov/dbedt/hhfdc/.

The purpose of this Draft Substantial Amendment No. 2 to the State of Hawaii’s PY2021 AAP is to include HHFDC’s allocation and administration of HUD’s new HOME American Rescue Plan (HOME-ARP) program.

BACKGROUND / DISCUSSION
The American Rescue Plan Act of 2021 appropriated $5 billion to help communities provide housing, shelter, and services for people experiencing homelessness, and other qualifying populations. Under the U. S. Department of Housing and Urban Development’s (HUD) HOME Investment Partnerships Program – American Rescue Plan (HOME-ARP), the State of Hawaii, through its Hawaii Housing Finance and Development Corporation (HHFDC) of the Department of Business, Economic Development and Tourism, is eligible to receive $6,413,733 in HOME-ARP funds to address homeless needs through the creation of affordable housing or non-congregate shelter units and by providing tenant-based rental assistance or supportive services. This one-time funding creates significant opportunity to meet the housing and service needs of our community’s most vulnerable populations.
To receive the HOME-ARP funds, HHFDC must engage in the consultation and public participation process to develop a HOME-ARP allocation plan. The plan must be submitted to HUD for review, as a substantial amendment to the PY 2021 Annual Action Plan. The plan must also describe the distribution of HOME-ARP funds and how it will be used to address the needs of HOME-ARP qualifying populations.

**CITIZEN PARTICIPATION**
During the period of August 2021 to October 2021, HHFDC conducted public hearings statewide, in part to introduce the public to the HOME-ARP program. Members of the public were provided with HOME-ARP program information and HHFDC’s intent to administer the HOME-ARP funds for the State of Hawaii. In addition, consultation meetings and discussions were held throughout the development of the HOME-ARP allocation plan with agencies and organizations including but not limited to, Bridging the Gap (the Continuum of Care for the neighbor island counties), neighbor island service providers addressing homelessness and domestic violence issues, agencies addressing fair housing and civil rights issues, and the housing agencies of Hawaii, Kauai and Maui counties.

On February 28, 2022, HHFDC published a statewide Notice of Public Comment (Notice) seeking input on this Draft Substantial Amendment No. 2 to the PY2021 AAP, which will set forth HHFDC’s HOME-ARP allocation plan and describe the distribution of HOME-ARP funds. The Notice is attached as Appendix B.

The Notice and this Draft Substantial Amendment, which includes the draft allocation plan, are available for review at depository libraries, the housing offices of the counties of Hawaii, Honolulu, Kauai and Maui, at the Homeless Programs Office of the Department of Human Services, HHFDC, and on HHFDC’s website. The deadline for written comments on the draft Substantial Amendment No. 2 to the PY2021 AAP is March 15, 2022.

**SUBSTANTIAL AMENDMENT**
The PY2021 AAP will be amended to include $6,413,733 of HOME-ARP funds and HHFDC’s HOME-ARP allocation plan, which describes the distribution of funds and the process for soliciting applications and selecting eligible projects. HHFDC proposes to allocate its HOME-ARP funds to the Counties of Hawaii, Kauai and Maui to provide affordable rental housing units and address the needs of the qualifying populations. The HOME-ARP allocation plan is attached as Appendix A.

Appendix A:  HHFDC’s HOME-ARP Allocation Plan
Appendix B:  Notice of Public Comment
APPENDIX A

State of Hawaii
Hawaii Housing Finance and Development Corporation

DRAFT HOME-ARP ALLOCATION PLAN
February 28, 2022
# Table of Contents

- Introduction .......................................................................................................................... 1
- Consultation ............................................................................................................................. 1
- Public Participation .................................................................................................................. 7
- Needs Assessment and Gaps Analysis ...................................................................................... 8
- HOME-ARP Activities .............................................................................................................. 21
- HOME-ARP Production Housing Goals .................................................................................. 23
- Preferences ............................................................................................................................... 24
- HOME-ARP Refinancing Guidelines ....................................................................................... 24
Draft HOME-ARP Allocation Plan

**Participating Jurisdiction:** State of Hawaii, Hawaii Housing Finance and Development Corporation  
**Date:** February 28, 2022

**Introduction**

In April 2021, the U.S. Department of Housing and Urban Development (HUD) announced the allocation of $6,413,733 to the State of Hawaii in the form of HOME Investment Partnerships Program - American Rescue Plan (HOME-ARP) funds under Fiscal Year (FY) 2021. This one-time funding was purposed with creating opportunity to meet housing and service needs of Hawaii’s most vulnerable populations. The City and County of Honolulu is an entitlement jurisdiction and will receive its own allocation. Funds received through the state’s Hawaii Housing Finance and Development Corporation (HHFDC) will be used to serve qualifying populations within the neighbor island counties of Hawaii, Kauai, and Maui.

Under HOME-ARP, qualifying populations include:
- Sheltered and Unsheltered Homeless Populations
- Those currently housed at risk of homelessness
- Those fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking
- Other populations: (1) requiring services or housing assistance to prevent homelessness, and (2) those at greatest risk of housing instability
- Veterans and families that include a veteran family member that meet one of the preceding criteria

Eligible activities under the HOME-ARP program include: the production or preservation of affordable rental housing; tenant-based rental assistance; supportive services, including homeless prevention services and housing counseling; and the purchase or development of non-congregate shelter for individuals and families experiencing homelessness. In addition, 15% percent of the total allocation may be used for planning costs and administration.

The development of the HOME-ARP allocation plan involved consultation with homeless service providers, public housing agencies, and other organizations and agencies that assist qualifying populations in areas that funds are to be utilized. In addition, submittal of a HOME-ARP Allocation Plan is required before receiving funds. This draft HOME-ARP Allocation Plan describes the distribution and intended use of HOME-ARP funds within the neighbor island counties.

**Consultation**

*Summarize the consultation process.*

Bridging the Gap (BTG) is a collaboration of stakeholders committed toward preventing and ending homelessness in the neighbor island counties of Hawaii, Maui, and Kauai. BTG is responsible for the operating and planning responsibilities of the Continuum of Care (CoC) and serves as the central hub that strengthens coordination between CoC-funded activities, other
HUD-funded activities, and local government or private resources targeted at ending homelessness.

To seek input on the needs of qualifying populations within the neighbor island counties, HHFDC consulted with BTG as well as the local chapters representing each county (Kauai Community Alliance, Maui Homeless Alliance, and Community Alliance Partners), the Hawaii Public Housing Authority, the Hawaii Civil Rights Commission, the Legal Aid Society of Hawaii, Women Helping Women, Child and Family Services – East and West Hawaii Island, the Molokai Community Service Council, Women in Need, and the YWCA Kauai. Each CoC is composed of providers who serve qualifying populations, including victims of domestic violence and veterans. (See Table 1.)

**List the organizations consulted, and summarize the feedback received from these entities.**

<table>
<thead>
<tr>
<th>Agency/Organization Consulted</th>
<th>Type of Agency/Organization Consulted</th>
<th>Method of Consultation</th>
<th>Feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridging the Gap</td>
<td>Continuum of Care</td>
<td>Teams meeting</td>
<td>The lack of housing stock keeps people in shelters for longer periods of time and needs to be increased; Homeless Management Information System (HMIS) has data to show the By Name List (BNL) is long. There are many (200+) holding Section 8 vouchers. There are many rapid re-housing resources available, but more permanent affordable rentals are needed, along with long-term supportive services.</td>
</tr>
<tr>
<td>Kauai Community Alliance</td>
<td>Continuum of Care - County of Kauai</td>
<td>Zoom Meeting</td>
<td>County is looking at plans for funds to be used for a project like the Kealaula project. (Rental housing for those transitioning out of homelessness). Using the Coordinated Entry System may provide financial assistance and case management. Interested in the concept of non-congregate shelters (possibly on the west side) to help reduce unsheltered homeless, which could eventually be converted to permanent rental housing. There is a need for affordable rental housing and use of funds to rehabilitate homes for foster youth. There are currently several supportive and mental health services available.</td>
</tr>
<tr>
<td>Agency/Organization Consulted</td>
<td>Type of Agency/Organization Consulted</td>
<td>Method of Consultation</td>
<td>Feedback</td>
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<tr>
<td>-------------------------------</td>
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</tr>
<tr>
<td>Maui Homeless Alliance</td>
<td>Continuum of Care - County of Maui</td>
<td>Zoom Meeting</td>
<td>There is a large need for affordable rental housing with supportive services to help individual/family remain in their unit. There is also a need for short term (6-8 weeks) assistance for veterans requiring care before entering housing. Inquiry about using funds to rehabilitate an existing building to build a non-congregate shelter.</td>
</tr>
<tr>
<td>Community Alliance Partners</td>
<td>Continuum of Care - County of Hawaii</td>
<td>Zoom Meeting</td>
<td>There is a substantial amount of rent assistance available through six different organizations, but affordable rental units are needed and hard to find. Youth aging out of foster care have unmet housing needs. OHA is working on a $3M grant to be issued statewide and wants to look at leveraging funds.</td>
</tr>
<tr>
<td>Hawaii Public Housing Authority—State Agency</td>
<td>State PHA</td>
<td>Phone Conference</td>
<td>Possible use toward Rental assistance. Rehabilitate or create more affordable rental units. Leverage other funds and offer landlord incentives such as maintenance reimbursements.</td>
</tr>
<tr>
<td>House Select Committee on COVID-19 Economic and Financial Preparedness (Housing Sub-Committee)</td>
<td>HOPE Services-Nonprofit Organization</td>
<td>Teams Meeting</td>
<td>More rental units are needed. Families have rent vouchers, but providers have difficulty helping those families find rentals units.</td>
</tr>
<tr>
<td>House Select Committee on COVID-19 Economic and Financial Preparedness (Housing Sub-Committee)</td>
<td>Hawaii Budget &amp; Policy Center/Hawaii Appleseed—Non-profit Organization</td>
<td>Teams Meeting</td>
<td>The Housing Policy Director would like funds to go toward acquisition/rehabilitation of rental units.</td>
</tr>
<tr>
<td>Agency/Organization Consulted</td>
<td>Type of Agency/Organization Consulted</td>
<td>Method of Consultation</td>
<td>Feedback</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>--------------------------------------</td>
<td>------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>House Select Committee on COVID-19 Economic and Financial Preparedness (Housing Sub-Committee)</td>
<td>Weinberg Foundation—Non-profit Organization</td>
<td>Teams Meeting</td>
<td>Lack of housing supply is the #1 issue identified by homeless and youth groups they work with.</td>
</tr>
<tr>
<td>Department of Human Services- State</td>
<td>Governor’s Coordinator on Homelessness</td>
<td>Phone Conference/Teams Meeting</td>
<td>Increase Housing Supply. Emergency housing is also needed on Kauai. ARP funds could fund acquisition/rehab and leverage additional State and County funds for supportive services.</td>
</tr>
<tr>
<td>Department of Housing and Human Concerns- County of Maui</td>
<td>Government/County Housing Agency</td>
<td>E-mail</td>
<td>Exploring ways to use funds to develop Single Room Occupancy (SRO) units for single chronically homeless.</td>
</tr>
<tr>
<td>Hawaii Civil Rights Commission</td>
<td>Fair Housing &amp; Civil Rights</td>
<td>E-mail</td>
<td>All four eligible uses of HOME-ARP are worthy and in need of funding, but the greatest need is the production and preservation of affordable housing.</td>
</tr>
<tr>
<td>Legal Aid Society of Hawaii</td>
<td>Fair Housing &amp; Civil Rights</td>
<td>E-mail</td>
<td>Production/preservation of affordable rental housing is the greatest need, followed by Supportive Services, including homeless prevention services and housing counseling (moving expenses and security deposits). Often come across tenants who are disabled and unable to move on their own, relying on limited income while moving costs are unaffordable. Funds made available in these situations would be very helpful.</td>
</tr>
<tr>
<td>Agency/Organization Consulted</td>
<td>Type of Agency/Organization Consulted</td>
<td>Method of Consultation</td>
<td>Feedback</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>--------------------------------------</td>
<td>------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Women Helping Women (Maui)</td>
<td>Non-profit Organization - Victims of Domestic Violence</td>
<td>E-mail</td>
<td>At least half of clients in the shelter program have worked with the Transitions Program where rent, security deposit, utility assistance, and more may be received. In finding new, independent living arrangements, roadblocks include low rental housing inventory, high costs, stiff competition from other renters, and growing tendency of landlords to not accept Section 8 housing vouchers or rental assistance directly from WHW. As a result, placing clients in permanent housing is very difficult.</td>
</tr>
<tr>
<td>Molokai Community Service Council- Hale Hoomalu Shelter</td>
<td>Non-profit Organization – Victims of Domestic Violence</td>
<td>E-mail</td>
<td>On Molokai, survivors of domestic violence often have difficulty finding housing. There is one low-income housing complex, Ka Hale Mua, which has turned away many applicants. Funds are needed to repair units and rent subsidies would help survivors afford non-subsidized housing.</td>
</tr>
<tr>
<td>Child and Family Services- East and West Hawaii</td>
<td>Non-profit Organization – Homelessness and Victims of Domestic Violence</td>
<td>E-mail</td>
<td>There is a housing shortage on the Big Island, especially after losing over 700 homes in Leilani Estates to the 2018 Kilauea eruption. With few rental housing units available, the cost of rent continues to increase and those with Section 8 vouchers have the most difficulty finding a rental unit. Barriers to the development of affordable housing in Puna and Oceanview are the lack of infrastructure and transportation systems. For the homeless, in Kona, there is only one program to which referrals can be made—Na Kahua O Ulu Wini (only for families), resulting in low amounts of resources for homeless single persons. The CFS West-Hawaii shelter programs are not funded to address chronic homelessness and are</td>
</tr>
</tbody>
</table>
### Table 1 – Agencies Consulted

<table>
<thead>
<tr>
<th>Agency/Organization Consulted</th>
<th>Type of Agency/Organization Consulted</th>
<th>Method of Consultation</th>
<th>Feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Women in Need (Kauai)</strong></td>
<td>Non-profit Organization - Operates Kealaula on Pua Loke (Transitional Housing Facility)</td>
<td>E-mail</td>
<td>Specifically for domestic violence survivors and their children. The stay is limited to 120 days and limited bed capacity is also a challenge.</td>
</tr>
<tr>
<td><strong>YWCA Kauai</strong></td>
<td>Non-profit Organization – Victims of Domestic Violence</td>
<td>E-mail</td>
<td>As strong advocates of affordable housing and supportive services, WIN operates transitional housing facilities on Kauai and Oahu. A project that incorporates both components is Kauai’s Kealaula on Pua Loke. WIN manages the permanent housing unit facility and provides wrap around support services for families and individuals transitioning from homelessness. For WIN, funding for case management services is vital to the success of projects like Kealaula, or any type of housing project meant to benefit those transitioning from homelessness.</td>
</tr>
</tbody>
</table>

Domestic Violence is the leading cause of homelessness for women and children, and the need for safe and affordable housing is one of the most pressing concerns for survivors of domestic violence and abuse. In 2021, the Family Violence Shelter (FVS), saw an increase of 960 bed days from 2020, which is likely correlated to the lack of affordable housing inventory. FVS residents identified a lack of housing as the primary barrier to their transition out of Shelter.
Public Participation

Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:

- **15-day Public comment period:** start date – 2/28/2022 end date – 3/15/2022
- **Public hearings:** 8/17/2021, 8/25/2021, 9/10/2021, 10/11/2021, and 10/22/2021

During the consultation and outreach public hearings for the PY2022 Annual Action Plan, HHFDC conducted five public hearings in the Counties of Hawaii, Kauai, Maui, and the City and County of Honolulu. Information on the State’s HOME-ARP funding and range of activities was presented at each of the hearings. The information was also included in the State’s Informational Packet (providing information on the state’s Consolidated Plan and its HOME, HOME-ARP, HTF, ESG and HOPWA programs), which was presented to the public at each of the hearings. The public hearings were held on August 17 and August 25 (County of Hawaii), September 10 (City and County of Honolulu), October 11 (County of Kauai), and October 22, 2021 (County of Maui).

On February 28, 2022, HHFDC published a Notice of Public Comment (Notice) inviting the public to comment on the draft HOME-ARP Allocation Plan and informing the public where copies of the draft HOME-ARP Allocation Plan are available for review. HHFDC published the Notice in the Honolulu Star-Advertiser, Hawaii Tribune Herald, West Hawaii Today, The Garden Island, and The Maui News. The Notice and draft HOME-ARP Allocation Plan has also been posted to the HHFDC website at www.hawaii.gov/dbedt/hhfdc. The 15-day comment period will expire on March 15, 2022.

Describe any efforts to broaden public participation:

In addition to meeting with Bridging the Gap, HHFDC met with CoCs representing each neighbor island county, where input was gathered from providers serving qualifying populations directly. Input on the best use of HOME-ARP funds was also gathered in meetings with the House Select Committee on COVID-19 Economic and Financial Preparedness (Housing Sub-Committee), the State’s Adult Mental Health Division and the Governor’s Coordinator on Homelessness. Efforts to broaden public participation were made by phone and email outreach to the Hawaii Public Housing Authority, Hawaii Civil Rights Commission and Legal Aid Society of Hawaii. Additional efforts were also made to contact providers addressing domestic violence and veteran’s needs in each county. Maui’s Women Helping Women, Child and Family Services – East and West Hawaii Island, and the YWCA Kauai provided responses on unmet needs and supporting data. Input was also received from Kauai’s Women Helping Women.

Summarize the comments and recommendations received through the public participation process:

During the consultation process, providers agreed that affordable rental units are sorely needed and, in addition, would like to see long-term supportive services to help those receiving services retain permanent housing. Agencies noted that rental assistance was available from various programs, but a shortage of rentals units continues to exist. Comments or recommendations received within the 15-day comment period will be summarized here.
Summarize any comments or recommendations not accepted and state the reasons why:

Comments or recommendations received within the 15-day comment period will be summarized here.

Needs Assessment and Gaps Analysis

In addition to consulting with various agencies and organizations, unmet needs of qualifying populations were determined by estimating the size of each population and comparing it to current resources available, including shelter inventory and number of rental housing units affordable to families within specific income categories. To the extent possible, data on demographic composition of qualifying populations was gathered and analyzed to identify gaps and priority needs. Data sources used to inform the Needs Assessment and Gap Analysis tables include the 2020 Point in Time (PIT) Count Report, 2021 Housing Inventory Count (HIC), 2016 Comprehensive Housing Affordability Strategy (CHAS) Data Dictionary, 2014-2018 CHAS Data, and 2019 Hawaii Housing Planning Study.

<table>
<thead>
<tr>
<th>Homeless – Hawaii, Kauai and Maui (combined)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Inventory</strong></td>
</tr>
<tr>
<td>Family Adults and their child(ren)</td>
</tr>
<tr>
<td>Number of Beds</td>
</tr>
<tr>
<td>Emergency Shelter</td>
</tr>
<tr>
<td>Transitional Housing</td>
</tr>
<tr>
<td>Permanent Supportive Housing</td>
</tr>
<tr>
<td>Sheltered Homeless</td>
</tr>
<tr>
<td>Unsheltered Homeless</td>
</tr>
</tbody>
</table>

*These columns are subpopulations within the family and individual columns

Table 2 – Homeless Needs Inventory and Gap Analysis Table
Data Sources: 1. 2020 PIT Count Report; 2. BTG 2021 HIC
APPENDIX A
Draft HOME-ARP Allocation Plan

Non-Homeless – Hawaii, Kauai and Maui (combined)

<table>
<thead>
<tr>
<th></th>
<th>Current Inventory</th>
<th>Level of Need</th>
<th>Gap Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># of Units</td>
<td># of Households</td>
<td># of Households</td>
</tr>
<tr>
<td>Total Rental Units</td>
<td>64,068</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Units Affordable to HH at 30% AMI</td>
<td>3,645</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Units Affordable to HH at 50% AMI</td>
<td>4,475</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0% to 30% AMI Renter HH w/ 1 or more severe housing problems</td>
<td></td>
<td>7,855</td>
<td></td>
</tr>
<tr>
<td>30% to 50% AMI Renter HH w/ 1 or more severe housing problems</td>
<td></td>
<td>6,260</td>
<td></td>
</tr>
<tr>
<td>Current Gap (0% to 50% AMI)</td>
<td></td>
<td></td>
<td>5,995</td>
</tr>
</tbody>
</table>

Table 3 – Housing Needs Inventory and Gap Analysis Table
Data Sources: 1. 2016 Comprehensive Housing Affordability Strategy (CHAS); 2. 2014-2018 American Community Survey (ACS)

Describe the size and demographic composition of qualifying populations within the PJ’s boundaries:

HOME-ARP funds will be used to benefit individuals and families in the counties of Hawaii, Kauai and Maui who meet the criteria defined by HUD, of qualifying populations:

- Sheltered and Unsheltered Homeless Populations
- Those Currently Housed Populations at Risk of Homelessness
- Those Fleeing or Attempting to Flee Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking
- Other Populations: 1) Individuals or families requiring services or housing assistance to prevent homelessness, and 2) Individuals or families at greatest risk of housing instability or in unstable housing situations

Qualifying Population #1 - Sheltered and Unsheltered Homeless:

<table>
<thead>
<tr>
<th>County</th>
<th>Sheltered Homeless</th>
<th>Unsheltered Homeless</th>
<th>Total Sheltered and Unsheltered Individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Family HH Individuals Adults and their Child(ren)</td>
<td>Individuals Without child(ren)</td>
<td>Total Sheltered Homeless</td>
</tr>
<tr>
<td>Hawaii</td>
<td>159</td>
<td>117</td>
<td>276</td>
</tr>
<tr>
<td>Kauai</td>
<td>22</td>
<td>33</td>
<td>55</td>
</tr>
<tr>
<td>Maui</td>
<td>235</td>
<td>140</td>
<td>375</td>
</tr>
<tr>
<td>Totals</td>
<td>416</td>
<td>290</td>
<td>706</td>
</tr>
</tbody>
</table>

Table 4 – Sheltered and Unsheltered Homeless Populations (by county)
Data Source: BTG 2020 Point-In-Time Count Report
### Homeless Subpopulations

<table>
<thead>
<tr>
<th>County</th>
<th>Sheltered Homeless</th>
<th>Unsheltered Homeless</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CH Individuals and Persons in CH Families Emergency Shelter</td>
<td>Veterans and persons in Veteran families Emergency and Transitional Shelters</td>
</tr>
<tr>
<td>Hawaii</td>
<td>67</td>
<td>22</td>
</tr>
<tr>
<td>Kauai</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Maui</td>
<td>46</td>
<td>16</td>
</tr>
<tr>
<td>Totals</td>
<td>120</td>
<td>41</td>
</tr>
</tbody>
</table>

CH = Chronically Homeless

**Table 5 – Sheltered and Unsheltered Homeless Subpopulations (by county)**

Data Source: BTG 2020 Point-In-Time Count Report

### Additional Homeless Subpopulations

<table>
<thead>
<tr>
<th>County</th>
<th>Sheltered Homeless</th>
<th>Unsheltered Homeless</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Serious Mental Illness Emergency and Transitional Shelters</td>
<td>Substance Use Disorder Emergency and Transitional Shelters</td>
</tr>
<tr>
<td>Hawaii</td>
<td>83</td>
<td>51</td>
</tr>
<tr>
<td>Kauai</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>Maui</td>
<td>53</td>
<td>27</td>
</tr>
<tr>
<td>Totals</td>
<td>147</td>
<td>93</td>
</tr>
</tbody>
</table>

**Table 6 – Additional Sheltered and Unsheltered Homeless Subpopulations (by county)**

Data Source: BTG 2020 Point-In-Time Count Report

BTG’s 2020 PIT Count Report reflects an unduplicated estimate of sheltered and unsheltered homelessness. The count was conducted in each neighbor island county on the night of January 26, 2020. In 2020, the PIT Count was not conducted on the islands of Lanai and Molokai due to a lack of capacity. A total of 2,010 sheltered and unsheltered individuals were reported experiencing homelessness—797 in Hawaii County (40%), 424 in Kauai County (21%), and 789 in Maui County (39%). (See Table 4.) Details of sheltered and unsheltered homeless populations are provided for each neighbor island county in the tables above and narratives below. Numbers reflecting the size of subpopulations (i.e., chronic homelessness, veterans and persons in veteran families, those fleeing domestic violence, serious mental illness, substance use disorder, and HIV/AIDS) within the sheltered and unsheltered homeless populations are also provided. (See Tables 5 and 6.)

In **Hawaii County**, 797 sheltered and unsheltered individuals were reported as experiencing homelessness. Of these, 276 (or 35%) were sheltered, consisting of 159 family household individuals and 117 individuals. Within the sheltered population, there were 67 chronically homeless persons, 22 veterans and persons in veteran families, and 28 individuals fleeing domestic violence in emergency and/or transitional shelters. Additional homeless adult subpopulations in emergency and transitional shelters included 83 individuals with a serious mental illness, 131 substance use disorder, and 2 HIV/AIDS.
mental illness, 51 individuals with a substance abuse disorder, and two individuals with HIV/AIDS.

The remaining 521 (or 65%) of persons within Hawaii County’s homeless population were unsheltered, consisting of 85 family household individuals and 436 individuals. Of these, 239 were chronically homeless individuals, and 50 were veterans and persons in veteran families. The number of unsheltered individuals fleeing domestic violence were not reported in the 2020 PIT Count Report. Additional unsheltered, adult subpopulations included 228 individuals with a serious mental illness, 131 with a substance use disorder, and five individuals with HIV/AIDS. In Hawaii County, 40% of unsheltered homeless individuals were in South Hilo and 31% in North Kona, with the remaining 30% throughout rural parts of the island such as Kohala, South Kona, Kau, Puna, North Hilo, and Hamakua.

In Kauai County, a total of 424 sheltered and unsheltered individuals were reported as experiencing homelessness. Of these, 55 (or 13%) were sheltered, consisting of 22 family household individuals and 33 individuals. Within the sheltered population, there were 3 chronically homeless persons, three veterans and persons in veteran families, and seven individuals fleeing domestic violence in emergency and/or transitional shelters. Additional adult subpopulations in emergency and transitional shelters included 11 individuals with a serious mental illness, and 15 individuals with a substance use disorder.

The remaining 369 (or 87%) persons within Kauai County’s homeless population were unsheltered, consisting of 100 family household individuals and 269 individuals. Of these, 131 were chronically homeless individuals. There were no unsheltered veterans or persons in veteran families, and the number of unsheltered individuals fleeing domestic violence were not reported in the 2020 PIT Count Report. Additional unsheltered, adult subpopulations included 82 individuals with a serious mental illness, 87 with a substance use disorder, and two individuals with HIV/AIDS. In Kauai County, 38% of the unsheltered homeless population were in the south-central area, 31% in the west region, and the remaining 31% in other parts of the county such as Hanalei, Kapaa and Koloa.

In Maui County, a total of 789 sheltered and unsheltered individuals were reported as experiencing homelessness. Of these, 375 (or 48%) were sheltered, consisting of 235 family household individuals and 140 individuals. Within the sheltered population, there were 46 chronically homeless persons in emergency shelters, 16 veterans and persons in veteran families, and 20 individuals fleeing domestic violence in emergency and/or transitional shelters. Additional adult subpopulations in emergency and transitional shelters included 53 individuals with a serious mental illness, 27 individuals with a substance abuse disorder, two individuals with HIV/AIDS.

The remaining 414 (or 52%) persons within Maui County’s homeless population were unsheltered, consisting of 68 family household individuals and 346 individuals. Of these, 213 were chronically homeless individuals and 34 were veterans and persons in veteran families. The number of unsheltered individuals fleeing domestic violence were not reported in the 2020 PIT Count Report. Additional unsheltered, adult subpopulations included 164 individuals with a serious mental illness, 149 with a substance use disorder, and seven individuals with HIV/AIDS. In Maui County, 42% of all unsheltered individuals reported in the count were in the Central Maui (Kahului/Wailuku) area, 21% in Kihei, 20% in Lahaina, and the remaining 17% in other regions of the island such as lower Waiehu, Hana and upcountry region, which includes Paia.
previously mentioned, the 2020 PIT count was not conducted on the islands of Lanai and Molokai due to a lack of capacity.

Among the total neighbor island county homeless population, 1,516 (or 75%) individuals were over the age of 24 (426 sheltered and 1,090 unsheltered), 125 (or 6%) were between 18 and 24 (47 sheltered and 78 unsheltered), and 369 (or 18%) were under the age of 18 (233 sheltered and 136 unsheltered).

Of the total neighbor island homeless population, 1,140 individuals (or 57%) were male. Of 669 sheltered and unsheltered household individuals with at least one adult and one child, the number of females exceeded the number of males by 14%. Among 1,341 sheltered and unsheltered individuals and households without children, total males exceeded females by 27% and one percent identified as Gender Non-Conforming (i.e., not exclusively male or female). Sheltered and unsheltered Unaccompanied Youth homeless populations consisted of 15% more males than females, and five percent of individuals who identified as Gender Non-Conforming. Within the sheltered and unsheltered population of Parenting Youth households (youth parents only), there were 30% more males than females. All sheltered and unsheltered veterans in a household with at least one adult and one child were male. Of 128 veterans without children, males exceeded females by 80% and one percent identified as Gender Non-Conforming.

In the 2020 PIT count report, 85% of the sheltered and unsheltered homeless population identified as Non-Hispanic/Non-Latino and the remaining 15% as Hispanic/Latino. Almost one-third of homeless individuals identified as White (32%), followed by individuals of Multiple Races (30%), Native Hawaiian/Pacific Islander (27%), Asian (6%), Black/African American (3%), and American Indian or Alaska Native (2%). Within the sheltered population, individuals of multiple races exceeded the number of White individuals by eight percent.

Qualifying Population #2 – At-Risk of Homelessness:

In the HUD CPD Notice: CPD-21-10 and 24 CFR 91.5, at-risk of homelessness is defined as (1) an individual or family: with an annual income below 30% AMI, does not have sufficient resources or support networks, immediately available to prevent them from becoming homeless, and meets one of seven conditions listed in section (iii) of the definition; (2) a child or youth who does not qualify as “homeless” under 24 CFR 91.5 but qualifies as “homeless” under sections of other Acts listed in the HUD CPD Notice: CPD-21-10; and (3) a child or youth who does not qualify as “homeless” under 24 CFR 91.5 but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.
At Risk of Homelessness

<table>
<thead>
<tr>
<th>County</th>
<th>Total Households (2019 HHPS)</th>
<th>Number of Households with Some Hidden Homeless</th>
<th>% Total Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hawaii</td>
<td>67,054</td>
<td>10,058</td>
<td>15.0%</td>
</tr>
<tr>
<td>Kauai</td>
<td>22,563</td>
<td>4,827</td>
<td>19.0%</td>
</tr>
<tr>
<td>Maui</td>
<td>54,433</td>
<td>11,976</td>
<td>22.0%</td>
</tr>
<tr>
<td>Total</td>
<td>144,050</td>
<td>26,861</td>
<td>19.0%</td>
</tr>
</tbody>
</table>

Table 8 – At Risk of Homelessness, Hidden Homeless (neighbor island counties)
Data Source: 2019 Hawaii Housing Planning Study, Page 57

According to HUD’s 2014-2018 Comprehensive Housing Affordability Strategy (CHAS) data, within the neighbor island counties, there are at least 13,900 renter and owner households with incomes at or below 30% of the Area Median Income (AMI) and experiencing one of four housing problems: housing lacks a kitchen or complete plumbing facilities, overcrowding with more than one person per room, and/or experiencing housing cost burden greater than 30%, of which 7,855 (or 57%) were renters. (See Table 7.) These housing problems are characteristics associated with instability and increased risk of homelessness, as shown in each county’s 5-year Consolidated Plan. In Hawaii County, of approximately 68,410 households, at least 7,510 (or 11%) households were earning 0% to 30% AMI and experiencing at least one of four housing problems, of which 4,075 (or 54%) were renters. Of Kauai County’s 22,525 estimated households, 1,875 (or 8%) were earning 0% to 30% AMI and experiencing at least one of four housing problems, of which 965 (or 51%) were renters. In Maui County, of roughly 54,275 total households, 4,515 (or 8%) were earning at or below 0 to 30% AMI and experiencing at least one of four housing problems, of which 2,815 (or 68%) were renters. In general, renter households earning 0% to 30% AMI experience housing problems at a greater rate than owner households.

The 2019 Hawaii Housing Planning Study identified households likely to become homeless using two indicators: At-risk households and Hidden Homeless. In the 2019 Housing Demand Survey, respondents were asked how long they could stay in their current residence if they were to lose their primary source of household income. Twenty-five percent of Hawaii Households reported that they would be forced out of their homes after two months or less of sustained income loss. For the 2019 HHPS, these households were identified as At-Risk Households.

The second indicator of potential homelessness examines households that have doubled up, also referred to as “Hidden Homeless”. According to the U.S. Census, doubled up households are those that include at least one “additional” adult—or a person 18 or older who is not enrolled in school and is not the householder.
A survey was conducted to estimate the number of households containing some hidden homeless. (See Table 8.) Survey results reported 15% of households in Hawaii County, 19% in Kauai County, and 22% in Maui County containing some hidden homeless. In all counties, survey results describe hidden homeless as younger individuals who are relatively recent arrivals to the state, with few economic resources, and tend to be a part of larger households, with 5.8 persons per household on average. Findings also showed that hidden homeless were more likely to be doubled-up with family members, rather than unrelated individuals. In 2019, hidden homeless households had lower income per household member than households that did not include hidden homeless members ($21,250 vs. $33,750).

Qualifying Population #3 – Fleeing or Attempting to Flee Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking:
Across the neighbor island counties, on the night of the 2020 PIT Count, there were 47 adult individuals in emergency shelters and eight in transitional shelters targeted at victims of domestic violence. In Hawaii County, there were 28 sheltered individuals fleeing domestic violence—21 in emergency shelter and seven in transitional shelter. In Kauai County, there were seven individuals fleeing domestic violence in emergency shelter. In Maui County, there were 20 individuals fleeing domestic violence—19 in emergency shelter and one in transitional shelter. (See Table 5.) Due to the confidential nature of information, the PIT Count Report does not include children and information on demographic composition is not available.

In the Hawaii County, the Child and Family Service (CFS) - West Hawaii Island provides shelter programs, specifically for sheltering Domestic Violence survivors and their children. In Fiscal Year 2021 (July 2020 to June 2021), 192 individual participants were served. Of these, 12 (or 6%) were under the age of 17, 172 (or 90%) were 18 years of age or older, and the ages of eight individuals (or 4%) were unknown. Of 192 individuals, 141 (or 73%) were reported as female, 49 (or 26%) as male, and the gender of two individuals (or 1%) were unknown. Also, 38 individuals (or 20%) were reported as homeless. In general, most individual participants served identified as Caucasian, followed by Native Hawaiian, Asian, Hispanic or Latin, and Pacific Islander. There were also individuals who refused to provide their ethnicity, and those whose ethnicity was other, or unknown.

In Kauai County, the Young Women’s Christian Association (YWCA), a provider which serves victims of domestic violence, sheltered 111 individuals between January and December 2021. Of 111 individuals served, 43 (or 39%) were under the age of 17, and 68 (or 61%) individuals were 18 years of age or older. Female individuals made up 85% of the total individuals served, while the remaining 15% served were male. Of the 111 individuals served, six (or 5%) identified as Hispanic or Latino, with ties to Latin America, of any race. There were 28 individuals (or 25%) who identified as Native Hawaiian, and one as Micronesian. Additionally, there were 34 individuals (or 31%) who identified as White or of European descent, 15 (or 14%) as Asian (including Central Asian, East Asian, South Asian and Southeast Asian), five as Black/African American (having origins in Sub-Saharan Africa), 18 (or 16%) as Multiracial, three (or 5%) as Native American. Data on Race/Ethnicity was not collected for one individual. Since the start of COVID-19, the YWCA reported a significant increase in the length of time individuals and families are staying in Shelter due to a lack of affordable housing options.

In Maui County, Women Helping Women (WHW), a provider which serves victims of domestic violence on Maui and Lanai, sheltered 207 individuals in 2021—193 on Maui and 14 on Lanai.
Of 207 individuals served, 149 (or 72%) were adults and children in family households and 58 (28%) were adult individuals. For adults and children in families, the age group representing the highest count (of 44 individuals) was zero to four years of age, while 25 individuals were 25 to 34 years old. Children between five and nine, 10 and 17, and adults between 35 and 49 trended similarly. In age groups from 18 to 24 and 50 to 64, counts were significantly lower. Female adult individuals and family household individuals made up slightly over half (55%) of the 207 individuals served, while the other individuals (45%) were male and female children in family households. Of the 207 individuals served, 42 (20%) identified as Hispanic. There were 98 individuals who identified as Pacific Islander (including Native Hawaiian and Micronesian), 60 as White/Caucasian, 19 as Asian (including Chinese, Filipino, Japanese, Korean, Southeast Asian and Other Asian), 11 as Black/African American, 10 as Multiple Races, five as Native American/Alaskan, and four as Other (race not listed). Within 193 individuals served on Maui, half were from the Central Maui area (Kahului and Wailuku); a quarter from Paia, Makawao, and Kula; under a quarter from Lahaina and Kihei; and the remainder from Haiku, Hana and Hawaii Island (Hilo and Pepeekeo). At its Lanai location, all individuals were from Lanai City. Nearly three quarters of adult and child individuals did not have income, while one quarter had monthly incomes of $4,000 or less. One person had a monthly income between $4,001 and $9,999.

On the Island of Molokai (Maui County), the Molokai Community Service Council provides services to victims of domestic violence through its Hale Hoomalu Domestic Violence Program. Annually, the Shelter provides an average of 800 bed days for women and children fleeing their homes due to domestic violence.

Across all neighbor island counties, the COVID-19 pandemic has led to an increase in domestic and intimate partner violence incidences due to stay-at-home mandates, meaning the size of this population may be greater than what is currently being reported.

*Qualifying Population #4 – Other Populations:*

Also included as qualifying populations are other populations, where assistance would: 1) prevent the family’s homelessness or 2) serve those with the greatest risk of housing instability, defined by HUD as: a) has an annual income of less than or equal to 30% AMI and is experiencing severe cost burden or b) has an income less than or equal to 50% AMI and meets at least one of seven conditions in the At Risk of Homelessness definition at 24 CFR 91.5.

<table>
<thead>
<tr>
<th>County</th>
<th>Households with Income from 0% to 30% AMI and Experiencing Severe Cost Burden</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Renters</td>
</tr>
<tr>
<td>Hawaii</td>
<td>3,035</td>
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<tr>
<td>Kauai</td>
<td>665</td>
</tr>
<tr>
<td>Maui</td>
<td>2,300</td>
</tr>
<tr>
<td>Total</td>
<td>6,000</td>
</tr>
</tbody>
</table>

*Table 9 – Other Populations with Household Income from 0% to 30% AMI and Experiencing Severe Cost Burden (by county)*

*Data Source: 2014 – 2018 CHAS data*
According to 2014-2018 Comprehensive Housing Affordability (CHAS) data, across the counties of Hawaii, Maui, and Kauai, there are at least 10,215 renter and owner households at with an annual income of 0% to 30% AMI, while experiencing severe housing cost burden (paying greater than 50% of monthly household income toward housing costs). These households are considered at greatest risk of housing instability—6,000 (or 59%) of which are renters. (See Table 9.) In Hawaii County, 5,180 households earning 0% to 30% AMI are severely cost burdened, of which 3,035 (or 59%) are renters. In Kauai County, 1,315 households earning 0% to 30% AMI are severely cost burdened, of which 665 (or 51%) are renters. In Maui County, 3,720 households earning 0% to 30% AMI are severely cost burdened, of which 2,300 (or 62%) are renters. Renter households earning 0% to 30% AMI are affected more by severe cost burden than owner households.

<table>
<thead>
<tr>
<th>County</th>
<th>Renters</th>
<th>% Renters</th>
<th>Owners</th>
<th>% Owners</th>
<th>Renters and Owners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hawaii</td>
<td>6,965</td>
<td>56%</td>
<td>5,430</td>
<td>44%</td>
<td>12,395</td>
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<tr>
<td>Kauai</td>
<td>1,950</td>
<td>56%</td>
<td>1,525</td>
<td>44%</td>
<td>3,475</td>
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<tr>
<td>Maui</td>
<td>5,200</td>
<td>64%</td>
<td>2,975</td>
<td>36%</td>
<td>8,175</td>
</tr>
<tr>
<td>Total</td>
<td>14,115</td>
<td>59%</td>
<td>9,930</td>
<td>41%</td>
<td>24,045</td>
</tr>
</tbody>
</table>

Table 10 – Other Populations with Household Income from 0% to 30% AMI and Experiencing Severe Cost Burden (by county)

Data Source: 2014 – 2018 CHAS data

Also at greatest risk of housing instability are households with an annual income less than or equal to 50% AMI and which meet one of the conditions in the At Risk of Homelessness definition at 24 CFR 91.5. In each county’s 5-year Consolidated Plan, one condition covered in household data is: Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, such as: 1) lacking a kitchen, 2) incomplete plumbing facilities, 3) overcrowding with more than one person per room, and 4) or experiencing housing cost burden greater than 30%, also known as “housing problems”. 2014-2018 CHAS data reports 24,045 renter and owner households with an annual income between 0% and 50% AMI, who are also experiencing one or more of the four housing problems. In the counties of Hawaii, Maui and Kauai, 14,115 households (59%) are renter households. (See Table 10.) In Hawaii County, there are 12,395 households earning 0% to 50% AMI and experiencing at least one of the four housing problems, of which 6,965 (or 56%) are renters. In Kauai County, there are 3,475 households earning 0% to 50% AMI and experiencing at least one of four of the housing problems, of which 1,950 (or 56%) are renters. In Maui County, 8,175 households earning 0% to 50% AMI are experiencing at least one of four of the housing problems, of which 5,200 (or 64%) are renters. Renter households earning 0% to 50% AMI are affected more by housing problems than owner households.

Households experiencing one or more housing problems described above represent a fraction of other qualifying populations. Households earning 0% to 50% AMI, while meeting other conditions at 24 CFR 91.5 such as: 1) Moved two or more times during the 60 days immediately preceding the application for homeless prevention assistance, 2) Living in a hotel or motel without assistance for low-income individuals, or 3) Exiting a publicly funded institution or system of care exist among other qualifying populations.
Describe the unmet housing and service needs of qualifying populations, including but not limited to:

- Sheltered and unsheltered homeless populations
- Those currently housed populations at risk of homelessness
- Those fleeing domestic violence, dating violence, sexual assault, stalking and human trafficking
- Other families requiring services or housing assistance or to prevent homelessness; and those at greatest risk of housing instability or in unstable housing situations:

Homeless Populations:

The 2020 PIT Count and 2021 HIC reports were used to inform the Homeless Needs and Gap Analysis, which produced a gap need for 19 family shelter beds for family household individuals and 411 shelter beds for individuals in the neighbor island counties. (See Table 2.) Gap need was calculated by comparing the total number of shelter beds in Emergency Shelters, Transitional Shelters, and Permanent Supportive housing facilities to the total (Sheltered and Unsheltered) homeless population. The Needs Assessment and Gap Analysis table reflects the situation of each unsheltered person entering a shelter and occupying a bed (on the night of the PIT Count), which resulted in a gap need for beds; however, it does not consider unmet needs of homeless individuals in emergency and transitional shelters who are ready to exit to permanent housing. Also, within the unsheltered population, there are individuals and families who elect not to receive assistance or placement in shelter facilities, which the method of calculation used in Table 2 does not capture.

Within the neighbor island counties, the greatest unmet need is for affordable rental housing units, for individuals and households experiencing homelessness—especially for those moving through and exiting emergency shelters, rapid re-housing programs, and transitional housing. Recent HMIS data (from October 2021) covering the neighbor island counties reports 937 households exiting all programs, of which 455 exits (or 49%) were to permanent housing. Creating more affordable housing options for qualifying clients could substantially increase the amount of exits to permanent housing and reduce the “bottleneck” effect occurring at the shelter level. The COVID-19 pandemic has also introduced a potential need for non-congregate shelters within the neighbor island counties to help meet the immediate shelter needs of the homeless population.

To accompany the housing needs of the homeless population, there is a continued need for increased supportive services. Delivered through effective case management and referrals to appropriate community resources, supportive services will facilitate in making permanent, affordable rental housing achievable to ensure that families and individuals do not fall back into homelessness.
Individuals and Families at Risk of Homelessness:

Within the neighbor island counties, currently housed individuals and families at risk of homelessness need access to more permanent rental units that are affordable. Considering that annual earnings of at-risk households are equal to or less than 30% AMI and the frequent presence of cost burden, an increase in housing stock affordable to this qualifying population could reduce the number of falls into homelessness.

To prevent households and individuals who are at-risk of homelessness from becoming homeless, there continues to be an ongoing need to pursue a persistent approach in offering homeless prevention services such as: counseling and advocacy to aid in connecting individuals or households to housing; budget and credit counseling resources; in-kind emergency assistance such as transportation vouchers; and other financial assistance for rent, mortgage, and utility payments to prevent eviction. As a result of the COVID-19 pandemic, the numbers of households, individuals financially affected, and those who may fall into the at-risk population resulting from the lift of the eviction moratorium are yet unknown.

Fleeing or Attempting to Flee Domestic Violence, Dating Violence, Sexual Assault, Stalking or Human Trafficking:

Since an emergency shelter is a first step for those fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking, shelters need to keep space available to victims in need. Although the stay is temporary, if shelters become full, survivors are often left facing the decision of returning to their abuser or situation— or risk homelessness. In all neighbor island counties, the high cost of living combined with the low housing opportunity makes it difficult for many victims and survivors to escape or transition from unstable situations. For this reason, access to decent, safe, and affordable rental housing, offers a safe choice and chance at achieving stability.

To obtain decent, safe, affordable housing, financial services such as budget and credit counseling are key in assisting those who find it challenging to find rental properties due to damaged credit, rental, and employment histories, resulting from abuse. Access to Legal Aid Services, Child Care and other Mainstream Services also continue to be necessary for survivors to achieve overall stability.

Other Populations:

Many families requiring services or housing assistance to prevent them from being homeless hold rental assistance vouchers from programs such as Section 8 but have difficulty accessing available units due to a lack of affordable rental housing inventory. Expanding the affordable rental housing inventory will allow for more choice in the housing selection process, which may result in better housing outcomes and retention.

The level and types of services needed for this broad population widely varies. Outreach, Homelessness Prevention, and Rapid Re-housing services continue to be priority needs. To help individuals and households sustain permanent housing, ongoing availability of supportive services and financial assistance continues to be a need.
Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, tenant based rental assistance, and affordable and permanent supportive rental housing:

The neighbor island counties of Hawaii, Kauai and Maui receive annual allocations of federal formula grant funding through the Community Development Block Grant (CDBG) program. In addition, the counties receive funding through the HOME Investment Partnerships (HOME) and National Housing Trust Fund (HTF) programs on a rotating basis through HHFDC. The County of Hawaii has been designated to receive such funding for Program Year 2021 (PY2021) and will utilize approximately $5.8 million of HOME and HTF funds toward the development of affordable rental and homeownership housing. The County of Hawaii also administers the Housing Choice Voucher (HCV) program and was awarded 110 ARP-Emergency Housing Vouchers, in addition to their HCV program vouchers, Mainstream vouchers, and Veterans Affairs Supportive Housing vouchers.

Emergency Rental Assistance (ERA) programs were set up within each county to assist households unable to pay rent and/or utilities due to effects of the COVID-19 pandemic, with priority being given to households with incomes below 50% AMI, where one or more household member(s) has been unemployed for 90 days prior to application or can demonstrate risk of experiencing homelessness or housing instability. The counties partnered with their service provider(s) or began accepting applications directly, in effort to provide assistance quickly and efficiently. Of the $10.4 million received by the County of Hawaii, $7.1 million has been disbursed. The County of Kauai received a total of $21 million and disbursed nearly $14.5 million. In Maui County, a total of $36 million was received, and $16.3 has been disbursed.

For the year ending June 2022, the state’s Department of Human Services Homeless Programs Office (DHS-HPO) allocated a total of $1,012,500 million toward the Housing First Program within the three counties through selected service providers. The Housing First approach to ending homelessness emphasizes permanent housing placement for those experiencing homelessness and is incorporated into contracts for all State funded homeless programs including outreach, emergency and transitional shelter, rapid re-housing, and permanent supportive housing. Additionally, $1,000,000 was provided for the contracted agencies to assist at-risk and homeless families with financial assistance, permanent housing placement, and supportive services.

DHS-HPO also received supplemental allocation of PY2019 Emergency Solutions Grant (ESG) funds totaling $10,034,673 through the Coronavirus, Aid, Relief, and Economic Security (CARES) Act. These funds were purposed with providing immediate assistance and support to homeless individuals and families within the neighbor island counites battling the effects of COVID-19 in the form of emergency shelter operations, rapid re-housing financial assistance, and homelessness prevention financial assistance. To date, $1,661,891 has been expended.

Through the Coordinated Entry System (CES), homeless individuals and households have access to a variety of CoC-funded housing inventory types including congregate and non-congregate emergency shelters, transitional housing facilities, and permanent supportive housing. The 2021 BTG HIC was utilized to obtain the most current bed and unit inventory for each type of facility within the counties of Hawaii, Kauai, and Maui.
• Hawaii County has 10 congregate shelters with 254 beds and no non-congregate shelters. There are five transitional housing facilities (one for victims of domestic violence), with a total of 111 beds, and four permanent supportive housing (PSH) facilities (one for veterans) totaling 314 PSH beds.

• Kauai County has three congregate shelters (one for victims of domestic violence) with 46 beds and no non-congregate shelters. There are three transitional housing facilities with 29 beds, and four permanent housing facilities (one for veterans) totaling 89 PSH beds.

• Maui County has five congregate shelters with 154 beds and two non-congregate shelters with 304 beds. There is one transitional housing facility with one bed, and eight permanent supportive housing facilities (one for veterans) with a total of 263 PSH beds.

Identify any gaps within the current shelter and housing inventory as well as the service delivery system:

Data from the 2020 PIT Count and 2021 HIC were used to identify gaps within the current shelter inventory. This method of calculation produces a gap of 411 individual and 19 family beds (for adults with children) by comparing the number of beds in each facility for families and individuals with the total (sheltered and unsheltered) homeless population. (See Table 2.) Within the unsheltered population, there are individuals and families who elect not to receive assistance or placement in shelter facilities, which the method of calculation used in Table 2 does not account for.

Throughout the consultation process, the need for more affordable rental units was frequently voiced and input received suggested that increasing the inventory will in turn, alleviate the “bottleneck” effect at the sheltering level. County-specific 2016 CHAS data also provides strong evidence that permanent affordable rental units continue to be an unmet need with a gap of 5,995 rental units, affordable to households or individuals earning 0% 30% and 30% to 50% of the area median income. (See Table 3.) Based on a Housing Demand Survey and Hawaii Housing Model, the 2019 Hawaii Housing Planning Study estimated a slightly higher total of 6,834 affordable rental units needed for neighbor island individuals and households within the 0% to 30% and 30% to 50% HUD income classifications by 2025.

Each neighbor island county works with its non-profit partners and within their CoC to maximize available resources in delivering services to those in need. Limited funding for providers and supportive services offered creates gaps within the service delivery system. A shortage of qualified case workers and lack of capacity also creates gaps in service delivery. As previously mentioned, there continues to be a need for supportive services to assist individuals and families facing homelessness, at-risk of homelessness, and exiting the shelter system to permanent housing.

Identify the characteristics of housing associated with instability and an increased risk of homelessness if the PJ will include such conditions in its definition of “other populations” as established in the HOME-ARP notice:

HHFDC will not further identify “other populations” within the qualifying populations already outlined.

APPENDIX A
Draft HOME-ARP Allocation Plan
Identify priority needs for qualifying populations:

Across the neighbor island counties, permanent affordable rental housing remains a priority need, which individuals and households within all four qualifying populations would greatly benefit from. For the homeless population, more affordable housing options could substantially increase the number of exits to permanent housing. Those at risk of homelessness need access to an expanded inventory of affordable for homelessness prevention. For a chance at achieving stability, those fleeing domestic or dating violence, sexual assault, stalking, or human trafficking also need decent, safe, affordable housing options. Lastly, many families requiring services or housing assistance to prevent them from being homeless hold rental assistance vouchers from programs such as Section 8 but have difficulty accessing available units due to a lack of affordable rental housing inventory.

Increasing the affordable rental housing inventory will allow for more choice in the housing selection process, which may result in better housing outcomes and retention. To help households or individuals across all four qualifying populations maintain permanent housing and achieve stability, an increase in supportive services has also been identified as a priority need (paired with access to affordable rental housing).

Explain how the level of need and gaps in its shelter and housing inventory and service delivery systems based on the data presented in the plan were determined:

Since providers under BTG and CoCs representing each county are the front line of service to individuals and households within qualifying populations, input received through consultation was widely used in determining the level of need and gaps in the shelter, housing inventory, and service delivery system. Data was retrieved from resources such as the 2020 BTG PIT Count Report, 2021 HIC, 2014-2018 CHAS data, the 2016 CHAS data dictionary, and 2019 Hawaii Planning Study. The level of need and gaps based on data presented in the plan were determined by comparing the size of each qualifying population with resources currently on hand to assist the population, shown in Tables 2 and 3. Current resources considered includes number of beds and units within each type of facility as well funding for rental assistance, outreach, rapid re-housing and homelessness prevention services.

HOME-ARP Activities

Describe the method for soliciting application for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly:

HHFDC intends to allocate its HOME-ARP funds to the neighbor island counties of Hawaii, Kauai and Maui, as State Recipients. Each county will issue its own Request for Proposals or application to distribute its funds through a competitive process. The projects will be ranked and rated to assess program eligibility, needs, goals, applicant experience/capacity, etc.

Should a State Recipient be unable to identify an eligible HOME-ARP project(s) or meet the drawdown schedule for the HOME-ARP activities within a specified timeframe, HHFDC, in its sole discretion, shall seek alternate activities from the remaining State Recipients.
If any portion of the PJ’s HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD’s acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ’s entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ’s HOME-ARP program:

No portion of HHFDC’s HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD’s acceptance of the HOME-ARP allocation plan.

<table>
<thead>
<tr>
<th>Use of HOME-ARP Funding</th>
<th>County State Recipients</th>
<th>HHFDC</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2021 HOME-ARP Allocation</td>
<td>$6,413,733</td>
<td>$481,029</td>
</tr>
<tr>
<td>Use of HOME-ARP Funding</td>
<td>Funding Amount</td>
<td>Hawaii</td>
</tr>
<tr>
<td>Administration and Planning</td>
<td>$831,715 (13%)</td>
<td>$160,343</td>
</tr>
<tr>
<td>Supportive Services</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Acquisition and Development of Non-Congregate Shelters</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Tenant Based Rental Assistance</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Acquisition, Production or Rehabilitation of Affordable Rental Housing</td>
<td>$5,582,018 (87%)</td>
<td>$1,817,225</td>
</tr>
<tr>
<td>Non-Profit Operating</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>Non-Profit Capacity Building</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>Total HOME-ARP</td>
<td>$6,413,733</td>
<td>$1,977,568</td>
</tr>
</tbody>
</table>

Table 11 – Use of HOME-ARP Funding

Additional narrative, if applicable:

n/a

Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

In developing the HOME-ARP Allocation Plan, information was gathered through consultation with BTG, individual Continuums of Care representing each island (Kauai Community Alliance, Maui Homeless Alliance, and Community Alliance Partners), and the Hawaii Public Housing Authority. Additionally, a meeting was held with the House Select Committee on COVID-19 Economic and Financial Preparedness (Housing Sub-Committee); the State’s Adult Mental Health Division staff; and the Governor’s Coordinator on Homelessness. The Hawaii Civil Rights
Commission, Legal Aid Society of Hawaii, Women Helping Women, Child and Family Services – West Hawaii and East Hawaii, Women in Need, and YWCA Kauai were also consulted in developing this plan. Data was also gathered from various sources including the 2020 BTG PIT Count Report, 2021 HIC, 2014-2018 CHAS data, 2016 CHAS data dictionary and, 2019 Hawaii Planning Study.

During the consultation process, input gathered identified an insufficient amount of affordable rental units in comparison to the amount of rental assistance available across the neighbor island counties. The 2021 combined budget for Housing Choice Voucher (Section 8) programs amounts to approximately $55.9 million. In addition, nearly $67.4 million in Emergency Rental Assistance (ERA) Program funds was received due to effects of COVID-19. To assist homeless and those at risk of homelessness in the neighbor island counties, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) provided supplemental funds under the Emergency Solutions Grant (ESG-CV) Program in the amount of $10,034,673 for Homelessness Prevention, Rapid Re-housing, Emergency Shelter, Street Outreach, and administrative purposes.

Although significant gaps continue to exist within the shelter and service delivery system, the gap identified across all four qualifying populations exists within the housing inventory—specifically, a lack of affordable rental housing units. The homeless population, as well as those fleeing domestic violence, dating violence, sexual assault, stalking, and human trafficking need access to decent, safe, affordable rental housing units when exiting the shelter system and would greatly benefit from supportive services to retain their housing and achieve overall stability. Increasing the affordable rental housing inventory for these qualifying populations could help alleviate overcrowding at the shelter level and shorten the stay of individuals and households in the system. For those at risk of homelessness and other populations, rental assistance and other financial assistance are frequently tapped, however, to reduce severe cost burden and other housing problems, units truly affordable to this qualifying population are still needed.

**HOME-ARP Production Housing Goals**

*Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:*

<table>
<thead>
<tr>
<th>Use of HOME-ARP Funding</th>
<th>Proposed Total HOME-ARP Units</th>
<th>County State Recipients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Hawaii</td>
</tr>
<tr>
<td>Development of Affordable Rental Housing</td>
<td>21</td>
<td>6</td>
</tr>
</tbody>
</table>

Table 12 – Use of HOME-ARP Funding
Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ’s priority needs:

HOME-ARP funds will be utilized for the development of affordable rental housing within the three counties of Hawai‘i, Kauai, and Maui. Each county will deliver a rental project to meet the needs of the Qualifying Population for a proposed total of 21 HOME-ARP units. (See Table 12.) The actual delivery of units will depend on the type of project, location, and available resources to assist the project. The production and preservation of affordable housing provides housing stability that assists families in their efforts to attain economic self-sufficiency.

Preferences

Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:

n/a

If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference:

n/a

HOME-ARP Refinancing Guidelines

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with 24 CFR 92.206(b). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

- **Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity**
  
n/a
- **Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.**
  
n/a
- **State whether the new investment is being made to maintain current affordable units; create additional affordable units, or both.**
  
n/a
- **Specify whether the new investment is being made to maintain current affordable units, create additional affordable units or both.**
  
n/a
• Specify the required compliance period, whether it is the minimum 15 years or longer.
  n/a

• State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
  n/a

• Other requirements in the PJ’s guidelines, if applicable.
  n/a
APPENDIX B

State of Hawaii
Hawaii Housing Finance and Development Corporation

NOTICE OF PUBLIC COMMENT
February 28, 2022
NOTICE OF PUBLIC COMMENT
on Draft Substantial Amendment No. 2 to the
Annual Action Plan for Program Year 2021

The American Rescue Plan Act of 2021 appropriated $5 billion to help communities provide housing, shelter, and services for people experiencing homelessness and other qualifying populations. Under the U.S. Department of Housing and Urban Development’s (HUD) HOME Investment Partnerships Program – American Rescue Plan (HOME-ARP), the State of Hawaii, through its Hawaii Housing Finance and Development Corporation (HHFDC) of the Department of Business, Economic Development and Tourism, is eligible to receive $6,413,733 in HOME-ARP funds to address homeless needs through the creation of affordable housing or non-congregate shelter units and by providing tenant-based rental assistance or supportive services.

For HHFDC to receive HOME-ARP funds, the state must submit, for HUD’s review, a HOME-ARP allocation plan as a substantial amendment to its Program Year 2021 (PY2021) Annual Action Plan (AAP). In accordance with HUD’s implementing rules for the HOME-ARP program, to develop its HOME-ARP allocation plan, HHFDC consulted with agencies and organizations including but not limited to, Bridging the Gap (the Continuum of Care for the neighbor island counties), neighbor island service providers addressing homelessness and domestic violence issues, agencies addressing fair housing and civil rights issues, and the housing agencies in Hawaii, Kauai and Maui counties.

As the City and County of Honolulu is eligible to receive its own HOME-ARP funds, HHFDC proposes to utilize the HOME-ARP funds in the neighbor island counties of Hawaii, Kauai and Maui. The proposed distribution and eligible activities are listed below:

**COUNTY OF HAWAII**
Acquisition, production, or rehabilitation of Affordable Rental Housing: $1,817,225
Administration: $160,343

**COUNTY OF KAUAI:**
Acquisition, production, or rehabilitation of Affordable Rental Housing: $1,817,225
Administration: $160,343

**COUNTY OF MAUI:**
Acquisition, production, or rehabilitation of Affordable Rental Housing: $1,947,568.
Administration: $30,000

**HHFDC ADMINISTRATION:** $481,029

Pursuant to 24 CFR Part 91 and HUD’s Notice CPD-21-10, HHFDC gives notice of the Draft Substantial Amendment No. 2 to its PY2021 AAP, to include the HOME-ARP allocation plan, which includes the above funding and activities.

APPENDIX B
Notice of Public Comment
The Draft Substantial Amendment No. 2 to the PY2021 AAP, which includes the Draft HOME-ARP Allocation Plan, is posted to HHFDC’s website at http://hawaii.gov/dbedt/hhfdc and is available for public view at depository libraries and the following offices:

Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300, Honolulu, Oahu

Department of Human Services, Homeless Programs Office
Benefits, Employment and Support Services Division
1010 Richard Street, Suite 312, Honolulu, Oahu

County of Hawaii, Office of Housing and Community Development
1990 Kinoole Street, Suite 102, Hilo, Hawaii Island; and
West Hawaii Civic Center, 744-5044 Ane Keohokalole Highway,
Kailua-Kona, Hawaii Island

County of Maui, Department of Housing and Human Concerns
2065 Main Street, Suite 108, Wailuku, Maui

County of Kauai, Kauai County Housing Agency
4444 Rice Street, Suite 330, Lihue, Kauai

City and County of Honolulu, Department of Community Services
925 Dillingham Boulevard, Suite 200, Honolulu, Oahu

You may also call (808) 587-0577 to be mailed a copy of the draft substantial amendment.

Interested persons are encouraged to state their views on the Draft Substantial Amendment, which includes the Draft HOME-ARP Allocation Plan, in writing no later than March 15, 2022 at 4:00 p.m. to HHFDC at 677 Queen Street, Suite 300, Honolulu, Hawaii, 96813, or via email to hhfdc.consolidatedplan@hawaii.gov. All comments received by the deadline will be considered in preparing the final substantial amendment and allocation plan.

Persons with special needs (e.g., needing a copy of the proposed substantial amendment in large print or taped) must immediately contact HHFDC’s Human Resources Office at (808) 587-0501, or by written request via email to hhfdchr@hawaii.gov. Prompt requests help to ensure the availability of appropriate accommodations. Persons on the neighbor islands may call the following toll-free numbers:

From Kauai, (808) 274-3141, ext. 70501
From Maui, (808) 984-2400, ext. 70501
From Hawaii, (808) 974-4000, ext. 70501
From Molokai & Lanai, 1-800-468-4644, ext. 70501

HHFDC does not discriminate against any person because of race, color, religion, sex, including gender identity or expression, sexual orientation, disability, familial status, ancestry, age, marital status, or HIV infection.

APPENDIX B
Notice of Public Comment
Denise Iseri-Matsubara, Executive Director
Hawaii Housing Finance and Development Corporation
Department of Business, Economic Development and Tourism
State of Hawaii
Internet Posting: February 28, 2022
Date of Publication: February 28, 2022
   Hawaii Tribune Herald
   West Hawaii Today
   The Maui News
   The Garden Island
   Honolulu Star Advertiser